ORIGINAL ARTICLES

Scientific and General

COMPULSORY HEALTH INSURANCE*

RADIO BROADCAST ON LAWS SUBMITTED TO CALIFORNIA LEGISLATURE

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Los Angeles

FELLOW Citizens of California: Governor Warren in addressing you Wednesday evening made a passionate plea for the immediate institution of prepaid health insurance in this State, in support of Assembly Bill No. 800, now before the Legislature. However, the Governor did not call his plan a compulsory plan until near the end of his address.

I will deal only with facts—facts important to you and to me, as citizens and taxpayers.

We will consider the two compulsory health insurance bills—the C.I.O. Assembly Bill No. 449, and Governor Warren's Assembly Bill No. 800. In essence these bills are very similar. The Governor and the C.I.O., through statements publicly made, are attempting to sell futures in a service which they do not own or control; and a service which now and for years to come cannot be delivered.

A false impression is current that compulsory health insurance means *free* medical care. That is not true. Any compulsory insurance costing taxpayers of California a minimum of $260,000,000 a year is not free. Proposed legislation, as widespread in its effect upon all people of this State and carrying with it a tremendous menace to this State's industrial and business position in competition with other states, must have the careful consideration of *every* citizen.

Men trained in tax matters—who are experts in the problems of business and industry—have studied the Governor Warren-C.I.O. Bills dispassionately and have termed these proposals *"outrageously impractical,"* and have amplified that statement by saying, that should either of these bills become law, California could not compete industrially with other states because of the tremendous handicap of added taxation.

Governor Warren, in an attempt to refute the statement that his proposal was hastily drawn, said that the question of compulsory health insurance had been considered in California for the past thirty years. That is true. But most of the studying and theorizing was done prior to 1918, and in 1918 the people of California voted 3 to 1 against a compulsory health insurance plan similar to the plans now proposed.

And little was done since 1918 except theorizing, until the California Medical Association decided to do something practical about it—decided to put into practice a voluntary prepaid medical service plan, following the age-old concept that the proof of the pudding is in the eating.

The California Medical Association plan, known as California Physicians' Service, has gathered the greatest amount of *factual* data relating to prepaid health insurance that has ever been gathered in *practice* in this country.

Thirty years of theorizing on the part of those who would create a Utopia by law, produced nothing but more theories. And now the C.I.O. and Governor Warren believe these theories should be tried—at enormous cost to us. They have been tried for sixty years in Germany with a result that you and I as citizens and taxpayers certainly do not want.

And now, to specific facts to prove how impractical these proposals are:

C.I.O. leaders have stated that it would cost $250,000,000 a year, plus administrative overhead, to be borne by the State out of general funds, to give to the 6,500,000 citizens, who are now beneficiaries under the unemployment insurance fund, an adequate type of medical care and hospitalization. In that estimate the C.I.O. leaders are quite correct. It would cost that much *at least* according to experience *gained in practice* by the California Physicians' Service, which has shown that a minimum of $40 per person per year is the cost—a total cost of $260,000,000 a year for 6,500,000 people.

The Governor Warren-C.I.O. Bills would raise money for this purpose by a 1½ per cent payroll tax to be paid by the employee and 1½ per cent by the employer, a total of 3 per cent. In the peak year of employment, 1944, that tax would have raised only $160,000,000. Immediately there appears inevitable a deficit *each year* of $100,000,000 which the State would be pledged to pay out of its general fund.

Senator Pepper, in his sub-committee's report to the United States Senate, showed that the cost of completely adequate medical and hospital service for a family of three for a year would be $241.00 or $80.00 per person. Senator Pepper is an ardent advocate of some plan to better spread medical care. Certainly Senator Pepper would not exaggerate the cost.

If we use Senator Pepper's estimate, the cost of providing such complete care to 6,500,000 Californians would be $520,000,000 a year. On that basis with only $160,000,000 raised by compulsory health insurance taxes, as proposed by the C.I.O. and the Governor's Bills, there would be a deficit of $360,000,000 *a year* which the State would have to meet with additional taxes.

Governor Warren is evading the issue in not discussing the very important financial aspects of these bills. If the State has to meet a minimum deficit of $100,000,000—and this might become a

* Radio script submitted by Stanley K. Cochems, Executive Secretary of the Los Angeles County Medical Association, for presentation over Statewide Blue network on Friday evening, February 23, 1945, at 9:45 P.M.

deficit of $360,000,000—if we accept Senator Pepper's figures—then our legislators, in all fairness to you and to me, must tell us before they pass such legislation, how they intend to raise such vast sums in addition to the money raised by the 3 per cent payroll tax.

There are three ways this deficit could be met, and you and I should have some voice in the method of raising it. The three methods are by doubling or possibly trebling the present sales tax; or by a heavy property tax on every home, farm and business; or by creation of drastic new and heavy taxes on every form of business enterprise in California.

So much for facts relative to the financial aspects.

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Now for facts to prove how impractical these proposals are:

The medical services the Governor and the C.I.O. promise to deliver to the people for a price of hundreds of millions of dollars a year are *not available* now and will *not be available* for many years to come.

Before the war, California had 9,000 Doctors of Medicine in active practice—one doctor for 800 people, the national average. The war has taken one-third of these Doctors of Medicine. The population of this State has advanced from 7,000,000 to nearly 9,000,000. Today there is one doctor to each 1,500 people.

The shortage of medical men in the United States will remain serious for many years. Young men who had planned medical careers had their plans disrupted when called to military duty. Many of these young men will not consider preparing for the practice of medicine, if they are faced with the prospect of regimentation when they are graduated.

Every Doctor of Medicine in California is exceedingly busy today. If some of our people are unable to obtain adequate medical care, the chief reason is—there are not enough doctors. And remember, this situation will not be relieved when the war ends. For each doctor who returns there will be hundreds of men returning, swelling the population of California.

The promises of adequate medical service being made by the Governor and the C.I.O., under a system of compulsion, means that our doctors would be called upon to render from three to four times the amount of service they are now delivering. Today they are delivering to the utmost of their ability. The service that is promised is a physical impossibility and could only be approached if the doctors sharply reduced the service rendered to each patient,—and that means the service rendered to you and to me,—which has been the experience of compulsory health insurance plans in Europe.

Under normal conditions of private medical practice among people who are able to pay a physician for his services, the incidence of such demand for a doctor's services amounts to approximately 650 cases per year per 1,000 adults. From the practical experience gained by voluntary health insurance in California under the offering of full medical coverage, the demand immediately jumped to 1,300 cases per year per 1,000 people. In other words, the demand doubles when full insurance coverage is given, primarily because it is a human trait to attempt to get value received for the money expended, whether the thing received is essential or not.

And when children are added to the adult group under full insurance coverage, the figure jumps to 1,790 cases per year per 1,000 people. These are facts, not theories!

This constitutes a demand—not necessarily a need—for services which could not be met by the number of doctors now in the State or the number of doctors who can be trained within the next decade or two.

The Governor and the C.I.O. are promising—for hundreds of millions of dollars of your money—something that the Governor and the C.I.O. cannot deliver.

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Much has been said of the demand for prepaid medical care. It is true that some practical method must be found and *will be found* to improve the distribution of medical care through practical experience being gained by voluntary plans now in existence and practical methods are being found. The problem cannot be answered by theory; it cannot be solved through "outrageously impractical" proposals.

The demand is not entirely or in any great degree for a *compulsory* program. A large percentage of the demand, as shown in a recent survey, is for some form of voluntary prepaid medical service.

Need and demand are different things. The Governor and the C.I.O. have made much of the so-called five million 4-Fs. For 30 years England has had compulsory health insurance. Experience in England has shown that 50 per cent—instead of our figure of 38 per cent—were rejected for physical and mental reasons. Physical standards demanded by the British were much lower than ours.

Senator Pepper's report to the United States Senate on January 5, 1945, presented factual data as to why men were rejected. There were 4,217,000 4-Fs. Reviewing the causes of rejection we can find no basis for believing that had a system of compulsory health insurance existed in this country before the war, this number could have been reduced appreciably.

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The Governor and the C.I.O. make much of their appeal to increase the health standards of California. Our health standards today are higher than those of England and of Germany where compulsory health insurance has existed for years.

The health of the people of this State can be improved through a program of education,

through an improvement of living conditions, through teaching our people to understand the benefits, and then to make use of the many free medical services now rendered by our health departments in the control of contagious and avoidable disease.

The Governor declares that the voluntary approach has failed; that only 100,000 are insured by California Physicians' Service. The Governor failed to state, however, that other voluntary and group medical services are in existence in this State, and according to the report of the State Chamber of Commerce, 1,500,000 California citizens are now covered by this type of health insurance.

The voluntary approach is not a failure and subscribers to voluntary plans are growing rapidly in number.

Our thousands of young men in military service—our 3,000 California doctors in military service—should have a voice in the decision of these drastic proposals, which by no stretch of an active imagination can be considered emergency measures at this time. Study of prepaid health insurance in practice, not more theorizing, is needed before plunging California into a morass of debt.

Assembly Bill 1200, introduced by the California Medical Association, provides for no taxation, but would greatly encourage the growth of voluntary, prepaid medical service plans.

1925 Wilshire Boulevard.

DIAGNOSIS OF INDUSTRIAL POISONING*

ALICE HAMILTON, M. D.
Boston, Mass.

A RULE for the diagnosis of industrial disease was laid down way back in the seventeenth century, by Ramazzini, the first great student of occupational disease. He bade the physicians in Italy, when they had a case of illness in a working man, not to ask him only about his symptoms but to go carefully into all the details of his occupation; for without this knowledge, they would not be able to make a correct diagnosis. It cannot be denied that Ramazzini's advice is still needed, at least by medical students and hospital internes, for most medical schools still leave out industrial medicine from the curriculum and students graduate with more information about amoebic dysentery than about lead poisoning. And, as one who has had to go through many hospital records, I can assure you that the average interne has little intelligent interest in the history of the patient's work. Often he is content with the word "laborer," which tells us only that the man belongs to what our radicals call the "proletariat." Or, perhaps he goes so far as to write "lead worker," but that tells us far too little. We do not know how great the lead exposure was, nor how long it lasted, and those facts have an important bearing on the diagnosis. Mixing white lead paint in an open chaser may bring on a form of plumbism which would never occur in a man who handled freshly made lead grids for storage batteries. The slow accumulation of lead in the body gives rise to one clinical picture, the sudden flooding of the body with soluble lead, to quite a different one.

I remember a case which came before a compensation board with a claim for arteriosclerosis caused by lead and resulting in cerebral hemorrhage. The history showed that the young man had been employed for only six months in a lead foundry, handling metallic lead. Such a profound effect could not take place in so short a time and from so slight an exposure. On the other hand, an acute attack of maniacal excitement in a man who spent three days cleaning out the separator in a white lead works, should be accepted without question.

It is, however, not enough to know what the patient's job was: one must discover whether there was any poisonous substance in his immediate vicinity, for it is not safe to assume that because his job is safe, he is not exposed to poison. For instance, I was much puzzled by a case which seemed clearly one of lead poisoning, in a man working in a rubber plant where lead was added to the rubber in the mixing mills. He assured me that he worked only at a mill compounding leadless rubber, but a visit to the plant showed that in two of the nearby mills, lead was mixed with the crude rubber. Neither of those men was leaded, but the man working near by was. It was just one of those cases of oversusceptibility which we cannot explain.

On the other hand, it is not safe to assume that because a man is employed in a chemical works where poisons are produced or used, his sickness is occupational in character, for close inquiry may show that he is in the department making containers and never comes in contact with the chemicals. Often it is very difficult to discover just what the man's exposure has been. I remember a case of aniline poisoning during the first world war, when we in this country had to begin the production of aniline because the German supply was cut off. There was much chronic anilinism in those days, and in Akron the victims were called "blue boys," because they were deeply cyanosed and dyspnoeic, like men with cardiac decompensation. It was in the compounding and mixing rooms of the rubber plants that the aniline was used, and my man worked only in the heat vulcanizing department, yet he had a typical case. Finally a rubber chemist cleared it up by telling me that the heat of vulcanization resulted in the production of aniline-like bodies, which escaped when the vulcanizers were emptied.

Even when the manufacturer tells you frankly the composition of the solvent or thinner he is

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* Guest Speaker's Address. Alice Hamilton, M. D., is Professor Emeritus of Industrial Medicine, Harvard University Medical School. Given before the Third General Meeting at the Seventy-third Annual Session of the California Medical Association, Los Angeles, May 7-8, 1944.